

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

**COMPONENT UNIT FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT**

JUNE 30, 2002

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 11/20/02

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**COMPONENT UNIT FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2002
WITH SUPPLEMENTAL INFORMATION SCHEDULES**

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INDEPENDENT AUDITORS' REPORT

The Honorable Benjamin Jones, Chief Judge
Fourth Judicial District Court
Judicial Expense Fund
Monroe, Louisiana

We have audited the accompanying component unit financial statements of the Fourth Judicial District Court, Judicial Expense Fund (a governmental entity) and a component unit of the Ouachita Parish Police Jury, as of and for the year ended June 30, 2002, as listed in the table of contents. These financial statements are the responsibility of the Fourth Judicial District Court, Judicial Expense Fund's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the component unit financial statements referred to above present fairly, in all material respects, the financial position of the Fourth Judicial District Court, Judicial Expense Fund as of June 30, 2002, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 18, 2002, on our consideration of the Fourth Judicial District Court, Judicial Expense Fund's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Honorable Benjamin Jones, Chief Judge
Fourth Judicial District Court
Judicial Expense Fund
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Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The other supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the component unit financial statements of the Fourth Judicial District Court, Judicial Expense Fund. Such information has been subjected to the auditing procedures applied in the audit of the component unit financial statements and, in our opinion, is fairly presented in all material respects in relation to the component unit financial statements taken as a whole.

Cameron, Hines & Harth (APAC)

West Monroe, Louisiana
October 18, 2002

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**COMPONENT UNIT FINANCIAL STATEMENTS
(Combined Statements - Overview)**

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**ALL FUND TYPES AND ACCOUNT GROUPS
COMBINED BALANCE SHEET, JUNE 30, 2002**

	<u>Governmental Funds</u>		<u>Fiduciary Funds</u>	<u>Account Groups</u>	<u>Totals</u>	
	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Agency Funds</u>	<u>General Fixed Assets</u>	<u>(Memorandum Only)</u> <u>June 30, 2002</u> <u>June 30, 2001</u>	
ASSETS						
Assets:						
Cash and cash equivalents	\$ 352,487	\$ 567,808	\$	\$	\$ 920,295	\$ 935,049
Investment-LAMP	103,116	1,150,914			1,254,030	1,123,810
Due from other governmental units	41,923	84,000			125,923	77,260
Equipment and furnishings				383,559	383,559	433,180
Accounts receivables	297	770			1,067	
Prepaid expenses and deposits		450			450	450
Due from general fund		5,000			5,000	
Total assets	\$ 497,823	\$ 1,808,942	\$ 0	\$ 383,559	\$ 2,690,324	\$ 2,569,749
LIABILITIES AND FUND EQUITY						
Liabilities:						
Accounts and other payables	\$ 17,689	\$ 16,625	\$	\$	\$ 34,314	\$ 16,325
Due to State of Louisiana benefits plan	271				271	304
Due to other governmental units	2,521	37,340			39,861	44,426
Due to special revenue funds	5,000				5,000	
Deposits due others						50
Compensated absences	3,248	25,541			28,789	31,733
Total liabilities	\$ 28,729	\$ 79,506	\$ 0	\$ 0	\$ 108,235	\$ 92,838
Fund Equity:						
Investment in general fixed assets	\$	\$	\$	\$ 383,559	\$ 383,559	\$ 433,180
Fund balances						
Unreserved						
Undesignated	468,620	1,722,376			2,190,996	2,042,665
Designated	474	7,060			7,534	1,066
Total fund equity	\$ 469,094	\$ 1,729,436	\$ 0	\$ 383,559	\$ 2,582,089	\$ 2,476,911
Total liabilities and fund equity	\$ 497,823	\$ 1,808,942	\$ 0	\$ 383,559	\$ 2,690,324	\$ 2,569,749

The accompanying notes are an integral part of this financial statement.

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**GOVERNMENTAL FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2002
WITH COMPARABLE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2001**

	General Fund	Special Revenue Funds	Totals (Memorandum Only)	
			June 30, 2002	June 30, 2001
REVENUES				
Court fees	\$ 234,944	\$ 747,511	\$ 982,455	\$ 893,584
Addictive disorder receipts		397,500	397,500	75,000
Grant revenue	100,610	5,151	105,761	44,545
Interest income	13,643	43,865	57,508	108,854
Other income	1,216	1,193	2,409	91
Total revenues	\$ 350,413	\$ 1,195,220	\$ 1,545,633	\$ 1,122,074
EXPENDITURES				
Current				
General government				
Asset expenditures	\$ 34,720	\$ 7,688	\$ 42,408	\$ 28,610
Court reporter	4,468		4,468	4,363
Insurance	10,463	65,516	75,979	56,873
Internet access	5,747	3,690	9,437	4,360
Miscellaneous	1,454	2,659	4,113	2,968
Office supplies and postage	19,038	14,220	33,258	20,194
Payroll taxes	6,237	9,248	15,485	9,460
Professional fees	92,964	322,438	415,402	177,360
Reference materials and dues	828	38,452	39,280	11,988
Rent	12,957	30,008	42,965	52,804
Repairs, maintenance and warranty	6,441	3,738	10,179	10,045
Retirement	9,619	41,766	51,385	41,130
Salaries	118,553	437,901	556,454	422,475
Seminars, meetings, travel and training	20,865	26,652	47,517	23,902
Supplies		36,507	36,507	22,091
Telephone	2,574	3,423	5,997	3,370
Utilities				406
Total expenditures	\$ 346,928	\$ 1,043,906	\$ 1,390,834	\$ 892,399
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	\$ 3,485	\$ 151,314	\$ 154,799	\$ 229,675
OTHER FINANCING SOURCES (USES)	\$ 0	\$ 0	\$ 0	\$ 3,023
EXCESS (DEFICIT) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ 3,485	\$ 151,314	\$ 154,799	\$ 232,698
FUND BALANCE - BEGINNING	465,609	1,578,122	2,043,731	1,811,033
FUND BALANCE - ENDING	\$ 469,094	\$ 1,729,436	\$ 2,198,530	\$ 2,043,731

The accompanying notes are an integral part of this financial statement.

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**GOVERNMENTAL FUNDS
GENERAL AND SPECIAL REVENUE FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002**

	GENERAL FUND				SPECIAL REVENUE FUND			
	2002		Variance Favorable (Unfavorable)	2001	2002		Variance Favorable (Unfavorable)	2001
	(Amended June, 2002) Budget	Actual		(Memo- random Only)	(Amended June, 2002) Budget	Actual		(Memo- random Only)
REVENUES								
Court fees	\$ 235,639	\$ 234,944	\$ (695)	\$ 229,152	\$ 740,133	\$ 747,511	\$ 7,378	\$ 664,432
Addictive disorder receipts					397,500	397,500		75,000
Grant revenue	103,798	100,610	(3,188)	44,545		5,151	5,151	
Interest income	13,528	13,643	115	25,717	39,409	43,865	4,456	83,137
Other income	1,216	1,216		88	10,840	1,193	(9,647)	3
Total revenues	\$ 354,181	\$ 350,413	\$ (3,768)	\$ 299,502	\$1,187,882	\$1,195,220	\$ 7,338	\$ 822,572
EXPENDITURES								
Current								
General government								
Asset expenditures	\$ 36,947	\$ 34,720	\$ 2,227	\$ 26,110	\$ 8,830	\$ 7,688	\$ 1,142	\$ 2,500
Court reporter	5,150	4,468	682	4,363				
Insurance	9,415	10,463	(1,048)	8,366	63,501	65,516	(2,015)	48,507
Internet access	5,669	5,747	(78)	2,040	3,689	3,690	(1)	2,320
Miscellaneous	594	1,454	(860)	1,143	5,726	2,659	3,067	1,825
Office supplies and postage	19,404	19,038	366	9,276	14,594	14,220	374	10,918
Payroll taxes	5,401	6,237	(836)	2,517	9,460	9,248	212	6,943
Professional fees	90,950	92,964	(2,014)	72,842	323,218	322,438	780	104,518
Reference materials and dues	828	828		7,218	42,670	38,452	4,218	4,770
Rent	12,915	12,957	(42)	10,861	30,013	30,008	5	41,943
Repairs, maintenance and warranty	7,049	6,441	608	4,274	3,762	3,738	24	5,771
Retirement	10,493	9,619	874	10,133	42,295	41,766	529	30,997
Salaries	118,425	118,553	(128)	77,771	440,382	437,901	2,481	344,704
Seminars, meetings, travel and training	14,514	20,865	(6,351)	16,046	27,781	26,652	1,129	7,856
Supplies					37,659	36,507	1,152	22,091
Telephone	2,832	2,574	258	828	4,881	3,423	1,458	2,542
Utilities								406
Total expenditures	\$ 340,586	\$ 346,928	\$ (6,342)	\$ 253,788	\$1,058,461	\$1,043,906	\$ 14,555	\$ 638,611
EXCESS OF REVENUES OVER EXPENDITURES	\$ 13,595	\$ 3,485	\$ (10,110)	\$ 45,714	\$ 129,421	\$ 151,314	\$ 21,893	\$ 183,961
OTHER FINANCING SOURCES								
Operating transfers in	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,023
Operating transfers out								
Total other financing sources (uses)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,023
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ 13,595	\$ 3,485	\$ (10,110)	\$ 45,714	\$ 129,421	\$ 151,314	\$ 21,893	\$ 186,984
FUND BALANCE - BEGINNING	465,609	465,609		419,895	1,578,122	1,578,122		1,391,138
FUND BALANCE - ENDING	\$ 479,204	\$ 469,094	\$ (10,110)	\$ 465,609	\$1,707,543	\$1,729,436	\$ 21,893	\$1,578,122

The accompanying notes are an integral part of this financial statement.

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2002**

NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Fourth Judicial District Court, General Fund (Judicial Expense Fund), was created under the Act No. 52 of 1984, effective on the 60th day after final adjournment of the 1984 legislative session of the State of Louisiana. The effective date of funding was set on November 1, 1984.

The purpose of the fund is to provide sufficient funding to expedite efficient operation of the court. In general, the fund is established and may be used for any purpose or purposes connected with, incidental to or related to the proper administration of the court.

The Fourth Judicial District Court, Special Revenue Fund (Child Support), authority was created under the Act No. 517 of 1986, effective within one year after final adjournment of the 1986 legislative session of the State of Louisiana. In accordance with Louisiana Revised Statutes, § 46: 236.5 the Fourth Judicial District Court implemented this process beginning November 1, 1990.

The purpose of the fund is to provide an expedited process for establishment and enforcement of support obligations which are brought by the Department of Health and Human Resources. Revenues are to be expended to administer the proceedings related to the expedited process.

The Fourth Judicial District Court, Special Revenue Fund (Misdemeanor Probation), authority was created under the Louisiana Code of Criminal Procedure Article 895.1C. The Fourth Judicial District Court issued an order signed en banc February 26, 1993 implementing this process.

The purpose of the fund is to provide misdemeanor probation services by collecting monthly fines for establishment and enforcement of the probationary period. Revenues are to be expended to administer the proceedings related to the probation process.

The Fourth Judicial District Court, Special Revenue Fund (Drug Court), authority was created under the Louisiana Code of Criminal Procedure Article 193 and Article 18 by Rule XI of this court. The drug treatment and probation program shall be established in accordance with the provisions of LSAR.5.13:5301-5304. The Fourth Judicial District Court issued an order signed en banc February 4, 2000 implementing the process effective January 1, 2000.

The purpose of the fund is to administer drug offense charges. Revenues are to be expended to administer the monitoring, counseling, and enforcement of drug offense probation.

The accounting and reporting policies of the Fourth Judicial Court, Judicial Expense Fund conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Municipal Audit and Accounting Guide, the industry audit guide, Audits of State and Local Governmental Units; Standards for Audit of Governmental Organizations, Programs, Activities, and Functions, and/or, where applicable, Public Law 98-502, the Single Audit Act of 1996, and OMB Circular A-133.

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2002**

NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

The following is a summary of certain significant accounting policies:

FINANCIAL REPORTING ENTITY: This report includes the General Fund (Judicial Expense Fund), Special Revenue Funds (Child Support Fund, Misdemeanor Probation Fund and Drug Court Fund), Agency Funds, and Account Group (General Fixed Assets), which are controlled by the Fourth Judicial District Court (Chief Judge and Judges) but determined to be a component unit of the Ouachita Parish Police Jury. The Ouachita Parish Police Jury has significant control over the Judicial Expense Fund in the area of necessary capital outlay. The Ouachita Parish Police Jury would present this component unit in a discreet presentation format if it were included in their financial statements. The funds and account group are administered by the Court Administrator.

REPORTING ENTITY: For financial reporting purposes, in conformity with the Governmental Accounting Standards Board (GASB), the Judicial Expense Fund and Child Support is a part of the Fourth Judicial District Court, a component of the Ouachita Parish Police Jury judicial system. The financial reporting entity consists of (a) the primary government (Ouachita Parish Policy Jury), (b) organization fo which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Ouachita Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability.

This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the Ouachita Parish Policy Jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Ouachita Parish Police Jury.
2. Organizations for which the Ouachita Parish Police Jury does not appoint a voting majority but are fiscally dependent on the Ouachita Parish Police Jury.
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2002**

NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Because the Ouachita Parish Police Jury provides for the operation and maintenance of the Courtroom and office space of the Judges in its parish courthouse, the Fourth Judicial District Court was determined to be a component unit of the Ouachita Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Fourth Judicial District Court and do not present information on the Ouachita Parish Police Jury, the general government services provided by that governmental unit or the other governmental units that comprise the financial reporting entity.

FUND ACCOUNTING: The accounts of the Fourth Judicial District Court, Judicial Expense Fund are organized on the basis of funds and account groups, each of which is considered a separate accounting entity, if applicable. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The funds and account group in the financial statements are as follows:

Governmental Funds

General Fund (Judicial Expense Fund)

The General Fund is the general operating fund of the Fourth Judicial District Court. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The following are Special Revenue Funds of Fourth Judicial District Court:

Child Support Fund - The purpose of this fund is to provide an expedited process for the establishment and enforcement of support obligations which are brought by the Department of Health and Human Resources. Revenues are to be expended to administer the proceedings related to the expedited process.

Misdemeanor Probation Fund - The purpose of this fund is to administer supervised probation for misdemeanor charges. Revenues are to be expended to administer the proceedings related to the enforcement and monitoring misdemeanor probation.

Drug Court Fund - The purpose of this fund is to administer drug offense charges. Revenues are to be expended to administer the monitoring, counseling, and enforcement of drug offense probation.

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2002**

NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Fiduciary Funds

Agency Funds

The Agency Funds are accounts with assets held by the Fourth Judicial District Court on behalf of others as their agent. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Misdemeanor Probation - Indigent Defender Board Fund. The purpose of this fund is to administer supervised probation for misdemeanor charges. Receipts on behalf of the Indigent Defender Board are remitted daily to the Indigent Defender Board, Fourth District Court.

Misdemeanor Probation - Fines Fund. The purpose of this fund is to administer supervised probation for misdemeanor charges. Receipts on behalf of the Ouachita Parish Sheriff's Office are remitted daily to the Ouachita Parish Sheriff's Office. Receipts on behalf of the Morehouse Parish Sheriff's Office are remitted daily to the Morehouse Parish Sheriff's Office.

Misdemeanor Probation - Restitution Fund. The purpose of this fund is to administer supervised probation for misdemeanor charges. Receipts on behalf of third parties regarding court ordered restitution are remitted daily to various recipients designated by court record.

Account Group

General Fixed Asset Account Group

The accounting and recording treatment applied to the fixed assets associated with a fund are determined by its measurement focus.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group and are recorded as expenditures in the governmental fund types when purchased. The Fourth Judicial District Court has elected to capitalize office furnishings and equipment, courtroom equipment and security equipment. No depreciation has been provided on general fixed assets.

All fixed assets are stated at historical cost.

All governmental fund type operations are accounted for on a spending of "financial flow" measurement focus and only current assets and current liabilities are generally included on their balance sheets.

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2002**

NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

BASIS OF ACCOUNTING: The Fourth Judicial District Court utilizes the modified accrual basis of accounting. Its revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred except that principal and interest on general long-term debt is recognized when due. Purchase of various operating supplies are regarded as expenditures at the time purchased.

BUDGETS AND BUDGETARY ACCOUNTING: The Fourth Judicial District Court follows these procedures in establishing the budgetary data reflected in these financial statements:

1. The Court Administrator prepares a proposed budget for the General Fund and each Special Revenue Fund and submits same to the Chief Judge, prior to the beginning of each fiscal year.
2. The Chief Judge, Fourth Judicial District Court, signs written approval of the budgets.
3. Budgetary amendments involving the transfer of funds from one program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Chief Judge.
4. All budgetary appropriations lapse at the end of each fiscal year.
5. Budgets for the General Fund (Judicial Expense Fund), and Special Revenue Funds (Child Support Fund, Misdemeanor Probation Fund, and Drug Court Fund), are adopted on a basis consistent with generally accepted accounting principles (GAAP).
6. Amendments of the budget are prepared by the Court Administrator and the process is the same as indicated for the original budget during the fiscal year.

BUDGET VARIANCE: The significant variation of actual expenses in the areas of asset expenditures, payroll related expenses, seminars, meetings, travel, and insurance were primarily due to the uncertainties of budgeting. The Chief Judge and Judges were aware of the variances and approved the additional expenses.

CASH AND CASH EQUIVALENTS: Cash includes amounts in demand deposits, interest-bearing demand deposits, money market accounts, and time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

INVESTMENTS: In accordance with GASB Statement No. 31, the Court's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the credit standing of the issuer or by other factors, it is reported at fair value. The term "short-term" refers to investments, which have a remaining term of one year or less at time of purchase. The term "nonparticipating" means that the investment's value does not vary with market interest rate changes.

INTERFUND RECEIVABLES/PAYABLES: Short-term interfund loans are classified as interfund receivables/payables.

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2002

NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

PREPAID ITEMS: Advance payments for rent are expensed as the period lapses. The balance in prepaid expense represents advance rent payments due to expire during the subsequent month.

COMPENSATED ABSENCES: The Fourth Judicial District Court accrues compensated absence expense based on unused vacation available to employees as of the last day of the fiscal year. Effective January 1, 1998, unused vacation will be accumulated, therefore all of the accrued compensated absence is recognized as a current year expenditure in the governmental funds. Accumulated sick leave is non-compensable, therefore, no provision has been made for unused sick leave.

FUND EQUITY: Designated fund balances represent tentative plans for future use of financial resources.

INTERFUND TRANSACTIONS: Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

TOTAL COLUMNS ON COMBINED STATEMENTS: Total columns on the combined statements are captioned "Total (Memorandum Only)" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

COMPARATIVE DATA: Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Fourth Judicial District Court's financial position and operations. However, comparative (ie., presentation of prior year totals by fund type) data have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

USE OF ESTIMATES: The preparation of component unit financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 EXPENDITURES - ACTUAL AND BUDGET

The Judicial Expense Fund had total actual expenditures less than total budgeted expenses for the year ended June 30, 2002 by \$8,213. Expenditures that varied from budgeted amounts by over (5%) five percent within the government funds were as follows:

FOURTH JUDICIAL DISTRICT COURT
 JUDICIAL EXPENSE FUND
 MONROE, LOUISIANA
 FOR THE YEAR ENDED JUNE 30, 2002

NOTES TO FINANCIAL STATEMENTS

NOTE 2 EXPENDITURES - ACTUAL AND BUDGET (Cont'd)

	<u>Budgeted</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>
General Fund (Judicial Expense Fund)			
Asset expenditures	\$ 36,947	\$ 34,720	\$ 2,227
Court reporter costs	5,150	4,468	682
Insurance	9,415	10,463	(1,048)
Miscellaneous	594	1,454	(860)
Payroll taxes	5,401	6,237	(836)
Repairs, maintenance and warranty	7,049	6,441	608
Retirement	10,493	9,619	874
Seminars, meetings, travel and training	14,514	20,865	(6,351)
Special Revenue Funds (Child Support, Misdemeanor Probation and Drug Court Funds)			
Asset expenditures	\$ 8,830	\$ 7,688	\$ 1,142
Miscellaneous	5,726	2,659	3,067
Reference materials and dues	42,670	38,452	4,218
Telephone	4,881	3,423	1,458

The Unfavorable variances for the current period were due to the uncertainties involved with budgeting. The Chief Judge and Judges were aware of the variances and approved the additional expenses.

NOTE 3 DEPOSITS AND INVESTMENTS

A. Cash and Cash Equivalents

Included as cash and cash equivalents are bank accounts and short-term investments, especially certificates of deposit.

At June 30, 2002, the Fourth Judicial District Court had cash and cash equivalents (book balances) totaling \$920,295 as follows:

Interest-bearing demand deposits	\$ 240,295
Time deposits	<u>680,000</u>
Total	<u>\$ 920,295</u>

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2002**

NOTES TO FINANCIAL STATEMENTS

NOTE 3 DEPOSITS AND INVESTMENTS (Cont'd)

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. At June 30, 2002, the Fourth Judicial District Court had \$960,841 in deposits (collected bank balances). These deposits are secured from risk by \$585,000 of federal deposit insurance (Category 1) and \$375,841 of pledged securities held by the bank's agent in the name of the bank (Category 3).

In accordance with LRS 49:321, state depositing authorities shall require as security for deposit of state funds authorized bonds or other interest bearing notes; authorized promissory notes, warrants, or certificates of indebtedness unmatured or payable on demand. Fair value, excluding interest, of such securities held by the depositing authority shall be equal to 100% of the amount on deposit to the credit of the depositing authority except that portion appropriately insured. Designated depositories may be granted a period not to exceed five days from the date of any deposit to post the necessary security.

Category 1 represents deposits insured (inclusive of FDIC, SIPC, or similar federal security) or collateralized with securities held by the Court or its agent in the Court's name. Category 2 represents deposits collateralized with securities held by the pledging financial institution's trust department or agent in the Court's name. Category 3 represents deposits uncollateralized including any securities held for the entity but not in the Court's name.

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the securities within 10 days of being notified by the Fourth Judicial District Court that the fiscal agent has failed to pay deposited funds upon demand.

B. Investments

Similar to cash deposits, investments held at a financial institution can be categorized according to three levels of risk. These three levels of risk are:

- Category 1:** Investments that are insured, registered or held by the entity or by its agent in the Court's name.
- Category 2:** Investments that are uninsured and unregistered held by the counterparty's trust department or agent in the Court's name.
- Category 3:** Uninsured and unregistered investments held by the counterparty, its trust or its agent, but not in the Court's name.

FOURTH JUDICIAL DISTRICT COURT
 JUDICIAL EXPENSE FUND
 MONROE, LOUISIANA
 FOR THE YEAR ENDED JUNE 30, 2002

NOTES TO FINANCIAL STATEMENTS

NOTE 3 DEPOSITS AND INVESTMENTS (Cont'd)

The Court invests in the Louisiana Asset Management Pool (LAMP) which is administered by LAMP, Inc. These approved investments are carried at cost (See Note 1), which approximates market and may be liquidated as needed. This investment pool has not been assigned a risk category since the Court is not issued securities, but rather owns an undivided beneficial interest in the assets of the pool. The carrying value of investments owned at year end was \$1,254,030 (Louisiana Asset Management Pool or LAMP) which approximates market as required by GASB 31.

Louisiana Asset Management Pool (LAMP) was created as a cooperative endeavor in 1993 to assist local Louisiana governmental entities with the investment of their cash balances. LAMP is not a bank and an investment in LAMP constitutes a direct investment in the assets constituting the pool, not a deposit. Investments in LAMP are not insured by the Federal Depository Insurance Corporation or any other federal agency. Collateralization requirements are not applicable when participating in the pool.

NOTE 4 DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units consisted of the following:

	<u>2002</u>	<u>June 30, 2001</u>
General Fund		
Judicial Expense Fund		
Court fees-Ouachita Parish, Sheriff Department State of Louisiana	\$ 19,173	\$ 8,486
Court fees-Ouachita Parish, Clerk of Court State of Louisiana	6,120	3,165
Court fees-Morehouse Parish, Sheriff Department State of Louisiana	4,750	3,162
Court fees-Morehouse Parish, Clerk of Court State of Louisiana	975	915
Travel expense reimbursement - Justice Department, State of Louisiana	6,880	15,408
Truancy expense reimbursement - Justice Department, State of Louisiana	4,025	
Totals	<u>\$ 41,923</u>	<u>\$ 31,136</u>
Special Revenue Funds		
Child Support		
Court fees - Department of Health and Human Resources, State of Louisiana	\$ 37,750	\$ 36,336
Drug Court Fund		
Addictive Disorders - Department of Health and Human Resources, State of Louisiana	<u>46,250</u>	<u>9,788</u>
Totals	<u>\$ 84,000</u>	<u>\$ 46,124</u>

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2002**

NOTES TO FINANCIAL STATEMENTS

NOTE 5 FIXED ASSETS

Property and equipment of all funds are stated at historical cost. Governmental fund fixed assets are recorded in the General Fixed Asset Account Group and are not depreciated.

Assets purchased under the FINS Grant Program (see Note 12) are currently being accounted for in the General Fixed Asset Account Group. However, under the provisions of the Grant contracts the assets are the property of the State of Louisiana. The State of Louisiana has instructed the Fourth Judicial District Court, Judicial Expense Fund to maintain control and ownership. The State of Louisiana, Office of Social Services retains reversioning rights in those assets. No assets were purchased under this program during the years ended June 30, 2002 and 2001.

Assets purchased under the (TASC) Truancy Assesment and Service Center Grant Program (See Note 12) are currently being accounted for in the General Fixed Asset Account Group. However, under provisions of the Grant contracts the assets are the property of the State of Louisiana. The State of Louisiana has instructed the Fourth Judicial District Court, Judicial Expense Fund to maintain control and ownership. The State of Louisiana, Supreme Court retains reversioning rights in those assets. The total amount of assets purchased under this program during the year ended June 30, 2002 was \$1,752.

A summary of changes in general fixed assets follows:

	<u>Balance July 1, 2001</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2002</u>
Equipment and furnishings				
Office	\$ 393,095	\$ 42,327	\$ (88,394)	\$ 347,028
Courtroom	35,535	81	(3,635)	31,981
Security	4,550			4,550
	<u>\$ 433,180</u>	<u>\$ 42,408</u>	<u>\$ (92,029)</u>	<u>\$ 383,559</u>
	<u>Balance July 1, 2000</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2001</u>
Equipment and furnishings				
Office	\$ 364,482	\$ 28,613	\$	\$ 393,095
Courtroom	35,535			35,535
Security	4,550			4,550
	<u>\$ 404,567</u>	<u>\$ 28,613</u>	<u>\$</u>	<u>\$ 433,180</u>

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2002

NOTES TO FINANCIAL STATEMENTS

NOTE 6 PENSION PLANS

Plan Description. Many employees of the Court are members of the Louisiana State Employees' Retirement System (LASERS), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The LASERS provides retirement benefits as well as disability and survivor benefits. Benefits are established and amended by state statute. Benefits granted by the LASERS are guaranteed by the State of Louisiana under provisions of the Louisiana Constitution of 1974. The LASERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Louisiana State Employees' Retirement, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 922-0600.

Funding Policy. Plan members of the Court are required by state statute to contribute 7.5 percent of their annual covered salary and the Court (employer) is required to contribute at an actuarially determined rate. The current employer rate is 14.1 and 13 percent of annual covered payroll as of June 30, 2002 and 2001, respectively. The contribution requirements of plan members and the Court are established and may be amended by state statute. As provided by state statute, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Court's employer contributions to the LASERS for the years ending June 30, 2002, 2001, and 2000, were \$31,511, \$25,466, and \$25,054, respectively, equal to the required contributions for each year.

Other Plan Description. The employees that are not members of LASERS are members of the Parochial Employees' Retirement System of Louisiana (System), a multiple-employer (cost-sharing), Public Employee Retirement System (PERS), controlled and administered by a separate board of trustees. This System is composed of two distinct plans, Plan A and Plan B with separate assets and benefit provisions. The System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Parochial Employees' Retirement System of Louisiana, P.O. Box 14619, Baton Rouge, Louisiana 70898-4619 or by calling (225) 928-1361.

Other Plan Funding Policy. To this system plan members are required to contribute 9.5 percent of their annual covered salary and this court reimburses the primary government, the Ouachita Parish Police Jury and Morehouse Parish Clerk of Court for retirement contributions at actuarially determined rates made into the System. The current employer rate is 7.75 percent of annual covered payroll. The Court reimbursed \$17,934, \$13,945, and \$12,717 to the Ouachita Parish Police Jury for contributions to the System during the years ending June 30, 2002, 2001 and 2000, respectively, as its share of contributions, equal to the required contributions for each year. The Court reimbursed \$1,940 and \$1,719 to the Morehouse Parish Clerk of Court for contributions to the System during the year ending June 30, 2002 and 2001, respectively as its share of contributions, equal to the required contributions for each year.

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2002**

NOTES TO FINANCIAL STATEMENTS

NOTE 7 DUE TO OTHER GOVERNMENTAL UNITS

Accounts due to other governmental units consist of the following:

	June 30,	
	2002	2001
General Fund		
Judicial Expense Fund		
Ouachita Parish Sheriff Department-State of Louisiana	\$ 554	14,245
Ouachita Parish Police Jury - State of Louisiana	341	274
Morehouse Parish Police Jury - State of Louisiana	140	5,690
Louisiana State Employee's Retirement System	874	1,291
State of Louisiana, Department of Revenue and Taxation	612	598
Total General Fund	\$ 2,521	\$ 22,098
 Special Revenue Funds		
Child Support Fund		
State of Louisiana, Department of Health and Human Resources	\$ 31	\$
Ouachita Parish Police Jury - State of Louisiana	3,345	3,232
Morehouse Parish Clerk of Court - State of Louisiana	2,446	1,947
State of Louisiana, Unemployment Compensation Control System	950	652
Louisiana State Employee's Retirement System	2,365	1,683
Court Services Fund (Misdemeanor and Drug Court)		
Ouachita Parish Police Jury - State of Louisiana	17,697	14,444
Louisiana State Employee's Retirement System	279	267
State of Louisiana, Unemployment Compensation Control System	109	103
State of Louisiana, Department of Health and Human Resources Fund	10,118	
Total Special Revenue Funds	\$ 37,340	\$ 22,328

NOTE 8 COMPENSATED ABSENCES

At June 30, 2002, employees of the Fourth Judicial District Court have accumulated and vested \$28,789 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. Of this amount, \$3,248 is recorded as an obligation of the General Fund and \$25,541 is recorded as an obligation of the Special Revenue Funds.

At June 30, 2001, employees of the Fourth Judicial District Court had accumulated and vested \$31,733 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. Of this amount, \$3,123 is recorded as an obligation of the General Fund and \$28,610 is recorded as an obligation of the Special Revenue Funds.

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2002

NOTES TO FINANCIAL STATEMENTS

NOTE 9 COMMITMENTS

The Fourth Judicial District Court has operating leases as follows:

Special Revenue Funds

Misdemeanor Probation Fund : On August 19, 1998, the Fourth Judicial District Court agreed to sublease from the Ouachita Parish Police Jury a noncancellable operating lease for office space at 102 St. John, Monroe, Louisiana. The lease term is for twelve (12) months, commencing September 1, 1998 and ending August 31, 1999. An option to renew this lease was exercised and extended same for one (1) year period with a five (5%) percent increase. The lease term was then for twelve (12) months, commencing September 1, 1999 and ending August 31, 2000. An option to renew this lease has been exercised and extended same for another one (1) year period with a five (5%) percent increase. The new lease term was for twelve (12) months, commencing September 1, 2000 and ending August 31, 2001. The facility was rented monthly from September 1, 2001 until January 10, 2002. Rental expense under this operating lease agreement was \$10,860 and \$28,593 during the fiscal years ending June 30, 2002 and 2001, respectively.

There are no minimum annual commitments under noncancellable operating leases.

NOTE 10 CHANGES IN AGENCY FUND DEPOSITS DUE OTHERS

A summary of changes in agency fund deposits due others follows:

	Balance at Beginning of Year	Additions	Reductions	Balance at End of Year
Agency Funds:				
Misdemeanor Probation Fund				
Ouachita Parish Sheriff's Department, Monroe, Louisiana	\$ 0	\$ 8,209	\$ 8,209	\$ 0
Morehouse Parish Sheriff's Department, Bastrop, Louisiana	0	548	548	0
Indigent Defender Board, Monroe, Louisiana	0	4,773	4,773	0
Restitution Recipients, Fourth District, State of Louisiana	50	31,752	31,802	0
	<u>\$ 50</u>	<u>\$45,282</u>	<u>\$ 45,332</u>	<u>\$ 0</u>

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2002**

NOTES TO FINANCIAL STATEMENTS

NOTE 11 JOINT VENTURES

The Child Support Fund has entered into agreements with the Ouachita Parish Police Jury, Ouachita Clerk of Court, and the Morehouse Clerk of Court for reimbursement of salaries, payroll taxes, group insurance, retirement and workman's compensation related to employees. The Misdemeanor Probation Fund and Drug Court Fund have also entered into agreements with the Ouachita Parish Police Jury for reimbursement of salaries, payroll taxes, group insurance, retirement and workman's compensation related to employees. The Fourth Judicial District Court, Misdemeanor Probation Fund have also entered into agreements with the Ouachita Parish Police Jury to reimburse them for rent. (see Note 9 - Commitments). The Ouachita Parish Police Jury also bills the Child Support Fund one dollar per page filed by that office to reimburse it for costs directly related to the Child Support enforcement program included in these financial statements as a special revenue fund. The Ouachita Parish Police Jury and Morehouse Parish Police Jury are reimbursed one dollar per page per case filed by those offices for costs directly related to the indigent cases of the Judicial Expense Fund included in these financial statements as a general fund expense. As the Fourth Judicial District Court, Child Support Fund, Misdemeanor Probation Fund, and Drug Court Fund reimburses the other governmental units, the appropriate expense accounts are debited and reflected in the financial statements.

NOTE 12 GRANT PROGRAM

The Fourth Judicial District Court, Judicial Expense Fund, has entered into a contract with the Office of Community Services, State of Louisiana under the "Families In Need of Services Program" (FINS). The Court agreed to furnish the administration and implementation of Families In Need of Services, Title VII of the Louisiana Children's Code, within the Fourth Judicial District, State of Louisiana.

The Fourth Judicial District Court, Judicial Expense Fund, had entered into a contract with the Louisiana Supreme Court, State of Louisiana under the "Families In Need of Services Program" (FINS). The contract was approved for the period beginning January 1, 2001 until December 31, 2001 and funded monthly from January 1, 2001 until June 30, 2001 for 22,235 and July 1, 2001 until December 31, 2001 for \$22,235.

The Fourth Judicial District Court, Judicial Expense Fund, continues to participate in another contract with the Louisiana Supreme Court, State of Louisiana under the "Families In Need of Services Program" (FINS). The contract was continued for the period beginning January 1, 2002 until December 31, 2002 and funded monthly from January 1, 2002 until June 30, 2002 for \$22,235.

The total expenditures of the Fourth Judicial District Court, Judicial Expense Fund related to the FINS programs was \$45,070 and \$44,545 for the fiscal years ended June 30, 2002 and 2001, respectively.

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2002**

NOTES TO FINANCIAL STATEMENTS

NOTE 12 GRANT PROGRAM (Cont'd)

The Fourth Judicial District Court, Judicial Expense Fund, has entered into a contract with the Louisiana Supreme Court, State of Louisiana under the "Truancy Assessment and Service Center (TASC) Assistance Program". The contract was approved for the period beginning December 1, 2001 until June 30, 2002 and funded monthly from December 1, 2001 until June 30, 2002 for \$56,140.

The total expenditures of the Fourth Judicial District Court, Judicial Expense Fund related to this program was \$58,773 for the fiscal year ended June 30, 2002.

NOTE 13 RISK MANAGEMENT

The Fourth Judicial District Court, Judicial Expense Fund is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions and natural disasters for which the Fourth Judicial District Court, Judicial Expense Fund carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**SUPPLEMENTAL INFORMATION SCHEDULES
As of and For the Year Ended June 30, 2002**

**COMPONENT UNIT FINANCIAL STATEMENTS OF
INDIVIDUAL FUND AND ACCOUNT GROUPS**

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**SUPPLEMENTAL INFORMATION SCHEDULES
As of and For the Year Ended June 30, 2002**

**GENERAL FUND
(JUDICIAL EXPENSE FUND)**

To account for resources traditionally associated with government which are not required to be accounted for in another fund.

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
GENERAL FUND**

**SUPPLEMENTAL INFORMATION SCHEDULES
COMPARATIVE BALANCE SHEETS
June 30, 2002 and 2001**

ASSETS

	<u>2002</u>	<u>2001 (Memo randum Only)</u>
Cash-in-bank	\$ 352,487	\$ 364,371
Investments - LAMP	103,116	100,519
Due from other governmental units	41,923	31,136
Accounts receivable	297	
	<hr/>	<hr/>
Total assets	<u>\$ 497,823</u>	<u>\$ 496,026</u>

LIABILITIES AND FUND EQUITY

LIABILITIES:

Accrued and other liabilities	\$ 17,689	\$ 4,892
Due to State of Louisiana Group Benefits Plan (insurance withheld)	271	304
Due to other governmental units (payroll taxes and overpaid court fees)	2,521	22,098
Compensated absences payable	3,248	3,123
Due to Special Revenue Fund (Child Support)	5,000	
	<hr/>	<hr/>

Total liabilities	<u>\$ 28,729</u>	<u>\$ 30,417</u>
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FUND BALANCE - UNRESERVED:

Undesignated	\$ 468,620	\$ 464,543
Designated	474	1,066
	<hr/>	<hr/>

Total fund equity	<u>\$ 469,094</u>	<u>\$ 465,609</u>
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Total liabilities and fund equity	<u>\$ 497,823</u>	<u>\$ 496,026</u>
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**FOURTH JUDICIAL DISTRICT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**SUPPLEMENTAL INFORMATION SCHEDULES
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
GENERAL FUND TYPE (JUDICIAL EXPENSE FUND) - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended June 30, 2002
With Comparable Actual Amounts For Year Ended June 30, 2001**

	2002		Variance - Favorable (Unfavorable)	2001
	(Amended June, 2002) Budget	Actual		(Memo- random Only)
REVENUE				
Court fees - Ouachita Parish	\$ 185,429	\$ 187,086	\$ 1,657	\$ 176,966
- Morehouse Parish	50,210	47,858	(2,352)	52,186
Grant revenue	103,798	100,610	(3,188)	44,545
Interest income	13,528	13,643	115	25,717
Other income	1,216	1,216		88
Total revenues	\$ 354,181	\$ 350,413	\$ (3,768)	\$ 299,502
EXPENDITURES				
Current				
General government				
Assets expenditures	\$ 36,947	\$ 34,720	\$ 2,227	\$ 26,110
Court reporter costs	5,150	4,468	682	4,363
Insurance expense	9,415	10,463	(1,048)	8,366
Internet access	5,669	5,747	(78)	2,040
Miscellaneous	594	1,454	(860)	1,143
Office supplies and postage	19,404	19,038	366	9,276
Payroll taxes	5,401	6,237	(836)	2,517
Professional fees	90,950	92,964	(2,014)	72,842
Reference materials and dues	828	828		7,218
Rent - equipment & parking	12,915	12,957	(42)	10,861
Repair, maintenance, and warranty	7,049	6,441	608	4,274
Retirement expense	10,493	9,619	874	10,133
Salaries	118,425	118,553	(128)	77,771
Seminars, meetings, travel and training	14,514	20,865	(6,351)	16,046
Telephone and utility expense	2,832	2,574	258	828
Total expenditures	\$ 340,586	\$ 346,928	\$ (6,342)	\$ 253,788
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	\$ 13,595	\$ 3,485	\$ (10,110)	\$ 45,714
OTHER FINANCING SOURCES				
Operating transfers in	\$	\$	\$	\$
Operating transfers out				
Total other financing sources (uses)	\$ 0	\$ 0	\$	\$ 0
EXCESS (DEFICIT) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ 13,595	\$ 3,485	\$ (10,110)	\$ 45,714
FUND BALANCE - BEGINNING	465,609	465,609		419,895
FUND BALANCE - ENDING	\$ 479,204	\$ 469,094	\$ (10,110)	\$ 465,609

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**SUPPLEMENTAL INFORMATION SCHEDULES
As of And For the Year Ended June 30, 2002**

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**SUPPLEMENTAL INFORMATION SCHEDULE
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEETS**

June 30, 2002

With Comparable Year Actual Amounts for June 30, 2001

	2002			2001
	Child Support Fund	Court Services Fund	Total	Total (Memo- random Only)
ASSETS				
Assets:				
Cash and cash equivalents	\$ 476,085	\$ 91,723	\$ 567,808	\$ 570,628
Investments-LAMP	940,325	210,589	1,150,914	1,023,291
Prepaid expenses and deposits	450		450	450
Due from State of Louisiana	37,750	46,250	84,000	46,124
Due from General Fund (JEF)	5,000		5,000	
Accounts receivable	750	20	770	
TOTAL ASSETS	<u>\$ 1,460,360</u>	<u>\$ 348,582</u>	<u>\$ 1,808,942</u>	<u>\$ 1,640,493</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts and other payables	\$ 11,754	\$ 4,871	\$ 16,625	\$ 11,433
Due to other governmental units	9,137	28,203	37,340	22,328
Compensated absences	7,051	18,490	25,541	28,610
Total liabilities	<u>\$ 27,942</u>	<u>\$ 51,564</u>	<u>\$ 79,506</u>	<u>\$ 62,371</u>
Fund Equity:				
Fund balances				
Unreserved				
Undesignated	\$ 1,432,418	\$ 289,958	\$ 1,722,376	\$ 1,578,122
Designated		7,060	7,060	
Total fund equity	<u>\$ 1,432,418</u>	<u>\$ 297,018</u>	<u>\$ 1,729,436</u>	<u>\$ 1,578,122</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 1,460,360</u>	<u>\$ 348,582</u>	<u>\$ 1,808,942</u>	<u>\$ 1,640,493</u>

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**SUPPLEMENTAL INFORMATION SCHEDULES
SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
For The Year Ended June 30, 2002
With Comparable Year Actual Amounts
For The Year Ended June 30, 2001**

	2002			Total	2001
	Child Support Fund	Misdemeanor Probation Fund	Drug Court Fund		Total (Memorandum Only)
REVENUES					
Court fees	\$ 480,372	\$ 243,951	\$ 23,188	\$ 747,511	\$ 664,432
Addictive disorder receipts			397,500	397,500	75,000
Grant income			5,151	5,151	
Interest income	36,198	7,667		43,865	83,137
Other income	1,008	185		1,193	3
Total revenues	\$ 517,578	\$ 251,803	\$ 425,839	\$ 1,195,220	\$ 822,572
EXPENDITURES					
Current					
General government					
Asset expenditures	\$ 5,817	\$ 1,616	\$ 255	\$ 7,688	\$ 2,500
Insurance	23,306	26,477	15,733	65,516	48,507
Internet access	3,690			3,690	2,320
Miscellaneous	373	354	1,932	2,659	1,825
Office supplies and postage	7,764	6,456		14,220	10,918
Payroll taxes	5,768	2,227	1,253	9,248	6,943
Professional fees	64,812	28,545	229,081	322,438	104,518
Reference materials and dues	38,282	30	140	38,452	4,770
Rent	11,604	12,212	6,192	30,008	41,943
Repairs, maintenance, and warranty	1,453	505	1,780	3,738	5,771
Retirement	23,265	10,998	7,503	41,766	30,997
Salaries	206,640	127,630	103,631	437,901	344,704
Seminars, meetings, travel and training	6,493	2,322	17,837	26,652	7,856
Supplies			36,507	36,507	22,091
Telephone	849	2,574		3,423	2,542
Utilities					406
Total expenditures	\$ 400,116	\$ 221,946	\$ 421,844	\$ 1,043,906	\$ 638,611
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	\$ 117,462	\$ 29,857	\$ 3,995	\$ 151,314	\$ 183,961
OTHER FINANCING SOURCES (USES)					
Operating transfers in	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,023
Operating transfers out					
Total other financing sources (uses)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,023
EXCESS (DEFICIT) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ 117,462	\$ 29,857	\$ 3,995	\$ 151,314	\$ 186,984
FUND BALANCES (DEFICIT) AT BEGINNING OF YEAR	\$ 1,314,956	\$ 284,391	\$ (21,225)	\$ 1,578,122	\$1,391,138
FUND BALANCES (DEFICIT) AT END OF YEAR	\$ 1,432,418	\$ 314,248	\$ (17,230)	\$ 1,729,436	\$1,578,122

FOURTH JUDICIAL DISTRICT COURT
 JUDICIAL EXPENSE FUND
 SPECIAL REVENUE FUNDS
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET (GAAP BASIS) AND ACTUAL - BY FUND
 YEAR ENDED JUNE 30, 2002
 WITH COMPARABLE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 2001

	CHILD SUPPORT FUND				MISDEMEANOR PROBATION FUND			
	2002		Variance Favorable (Unfavorable)	2001	2002		Variance Favorable (Unfavorable)	2001
	(Amended June 18, 2002) Budget	Actual		(Memo- random Only)	(Amended June 18, 2002) Budget	Actual		(Memo- random Only)
REVENUES								
Court fees	\$ 477,500	\$ 480,372	\$ 2,872	\$ 430,206	\$ 247,512	\$ 243,951	\$ (3,561)	\$ 216,814
Addictive disorder Grant income	35,782	36,198	416	67,499	3,627	7,667	4,040	15,638
Interest income	867	1,008	141	3	9,973	185	(9,788)	
Other income								
Total revenues	\$ 514,149	\$ 517,578	\$ 3,429	\$ 497,708	\$ 261,112	\$ 251,803	\$ (9,309)	\$ 232,452
EXPENDITURES								
Current								
General government								
Asset expenditures	\$ 6,094	\$ 5,817	\$ 277	\$ 270	\$ 1,629	\$ 1,616	\$ 13	\$ 1,452
Insurance	21,765	23,306	(1,541)	16,989	25,654	26,477	(823)	24,912
Internet access	3,689	3,690	(1)	2,320				
Miscellaneous	373	373		1,016	2,132	354	1,778	20
Office supplies & other	8,500	7,764	736	7,572	5,544	6,456	(912)	3,346
Payroll taxes	5,902	5,768	134	4,340	1,886	2,227	(341)	1,923
Professional fees	62,414	64,812	(2,398)	62,016	25,249	28,545	(3,296)	29,153
Reference materials and dues	42,500	38,282	4,218	4,740		30	(30)	30
Rent	11,410	11,604	(194)	10,436	11,885	12,212	(327)	22,517
Repairs, maintenance and warranty	1,457	1,453	4	2,756	17	505	(488)	1,434
Retirement	23,383	23,265	118	18,369	11,281	10,998	283	8,781
Salaries	205,208	206,640	(1,432)	163,747	129,232	127,630	1,602	123,414
Seminars, meetings, travel and training	7,143	6,493	650	5,390	17,903	2,322	15,581	2,466
Supplies								
Telephone	788	849	(61)	819	2,047	2,574	(527)	1,723
Utilities								
Total expenditures	\$ 400,626	\$ 400,116	\$ 510	\$ 300,780	\$ 234,459	\$ 221,946	\$ 12,513	\$ 221,171
EXCESS OF REVENUES OVER EXPENDITURES	\$ 113,523	\$ 117,462	\$ 3,939	\$ 196,928	\$ 26,653	\$ 29,857	\$ 3,204	\$ 11,281
OTHER FINANCING SOURCES								
Operating transfers in	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Operating transfers out								
Totals	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ 113,523	\$ 117,462	\$ 3,939	\$ 196,928	\$ 26,653	\$ 29,857	\$ 3,204	\$ 11,281
FUND BALANCE - BEGINNING	1,314,956	1,314,956		1,118,028	284,391	284,391		273,110
FUND BALANCE - ENDING	\$ 1,428,479	\$ 1,432,418	\$ 3,939	\$ 1,314,956	\$ 311,044	\$ 314,248	\$ 3,204	\$ 284,391

Drug Court Fund				Total Special Revenue Fund			
(Amended June 18, 2002) Budget	2002 Actual	Variance Favorable (Unfavorable)	2001 (Memo- random Only)	Budget	2002 Actual	Variance Favorable (Unfavorable)	2001 (Memo- random Only)
\$ 15,121	\$ 23,188	\$ 8,067	\$ 17,412	\$ 740,133	\$ 747,511	\$ 7,378	\$ 664,432
397,500	397,500		75,000	397,500	397,500		75,000
	5,151	5,151			5,151	5,151	
				39,409	43,865	4,456	83,137
				10,840	1,193	(9,647)	3
\$ 412,621	\$ 425,839	\$ 13,218	\$ 92,412	\$ 1,187,882	\$ 1,195,220	\$ 7,338	\$ 822,572
\$ 1,107	\$ 255	\$ 852	\$ 778	\$ 8,830	\$ 7,688	\$ 1,142	\$ 2,500
16,082	15,733	349	6,606	63,501	65,516	(2,015)	48,507
				3,689	3,690	(1)	2,320
3,221	1,932	1,289	789	5,726	2,659	3,067	1,825
550		550		14,594	14,220	374	10,918
1,672	1,253	419	680	9,460	9,248	212	6,943
235,555	229,081	6,474	13,349	323,218	322,438	780	104,518
170	140	30		42,670	38,452	4,218	4,770
6,718	6,192	526	8,990	30,013	30,008	5	41,943
2,288	1,780	508	1,581	3,762	3,738	24	5,771
7,631	7,503	128	3,847	42,295	41,766	529	30,997
105,942	103,631	2,311	57,543	440,382	437,901	2,481	344,704
2,735	17,837	(15,102)		27,781	26,652	1,129	7,856
37,659	36,507	1,152	22,091	37,659	36,507	1,152	22,091
2,046		2,046	406	4,881	3,423	1,458	2,542
							406
\$ 423,376	\$ 421,844	\$ 1,532	\$ 116,660	\$ 1,058,461	\$ 1,043,906	\$ 14,555	\$ 638,611
\$ (10,755)	\$ 3,995	\$ 14,750	\$ (24,248)	\$ 129,421	\$ 151,314	\$ 21,893	\$ 183,961
\$ 0	\$ 0	\$ 0	\$ 3,023	\$ 0	\$ 0	\$ 0	\$ 3,023
\$ 0	\$ 0	\$ 0	\$ 3,023	\$ 0	\$ 0	\$ 0	\$ 3,023
\$ (10,755)	\$ 3,995	\$ 14,750	\$ (21,225)	\$ 129,421	\$ 151,314	\$ 21,893	\$ 186,984
(21,225)	(21,225)		0	1,578,122	1,578,122		1,391,138
\$ (31,980)	\$ (17,230)	\$ 14,750	\$ (21,225)	\$ 1,707,543	\$ 1,729,436	\$ 21,893	\$ 1,578,122

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**SUPPLEMENTAL INFORMATION SCHEDULES
As of and For the Year Ended June 30, 2002**

**FIDUCIARY FUNDS
(AGENCY FUNDS)**

To account for assets held by the Fourth Judicial District Court, Judicial Expense Fund on behalf of others as their agent.

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
AGENCY FUNDS

SUPPLEMENTAL INFORMATION SCHEDULES
COMBINING BALANCE SHEET
JUNE 30, 2002

	<u>Misdemeanor Probation Fine Fund</u>	<u>Indigent Defender Board Fund</u>	<u>Misdemeanor Probation Restitution Fund</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	\$ 0	\$ 0	\$ 0	\$ 0
Total Assets	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Deposits due others	\$ 0	\$ 0	\$ 0	\$ 0
Total Liabilities	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Fund Equity - fund balances:				
Unreserved - undesignated	\$ 0	\$ 0	\$ 0	\$ 0
Total Fund Equity	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Liabilities and Fund Equity	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA
AGENCY FUNDS**

**SUPPLEMENTAL INFORMATION SCHEDULES
SCHEDULE OF CHANGES IN DEPOSITS DUE OTHERS
For The Year Ended June 30, 2002
With Comparable Actual Amounts For Year Ended June 30, 2001**

	Misdemeanor Probation Fines Fund	Indigent Defender Board Fund	Misdemeanor Probation Restitution Fund	Total	2001 Total (Memo- randum) Only
DEPOSIT BALANCES AT BEGINNING OF YEAR	\$ 0	\$ 0	\$ 50	\$ 50	\$ 42
ADDITIONS					
Fines collected for Fourth District	\$ 8,757	\$	\$	\$ 8,757	\$ 8,164
Indigent Defender Board fees collected for Fourth District		4,773		4,773	6,115
Restitution payments collected for court ordered distribution			31,752	31,752	37,537
Total additions	\$ 8,757	\$ 4,773	\$ 31,752	\$ 45,282	\$ 51,816
Total	\$ 8,757	\$ 4,773	\$ 31,802	\$ 45,332	\$ 51,858
REDUCTIONS					
Disbursements to Ouachita Parish Sheriff's Office	\$ 8,209	\$	\$	\$ 8,209	\$ 6,290
Disbursements to Morehouse Parish Sheriff's Office	548			548	2,874
Disbursements to Indigent Defender Board		4,773		4,773	6,115
Disbursements of Restitution to Court Ordered Recipients			31,802	31,802	37,529
Total reductions	\$ 8,757	\$ 4,773	\$ 31,802	\$ 45,332	\$ 51,808
DEPOSIT BALANCES AT END OF YEAR	\$ 0	\$ 0	\$ 0	\$ 0	\$ 50

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**SUPPLEMENTAL INFORMATION SCHEDULES
As of And For The Year Ended June 30, 2002**

GENERAL FIXED ASSETS ACCOUNT GROUP

To account for fixed assets not used in proprietary fund operation.

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**SUPPLEMENTAL INFORMATION SCHEDULES
COMPARATIVE STATEMENTS OF GENERAL FIXED ASSETS
Years Ended June 30, 2002 and 2001**

	2002	2001 (Memo- randum Only)
GENERAL FIXED ASSETS - at cost		
Office assets	\$	\$
- answering machines	7,256	7,438
- carpet, curtains and blinds	622	622
- computers and software	188,817	238,625
- copiers and shredders	7,917	7,917
- dictation machines	5,678	5,475
- electric heaters and other	4,244	4,244
- furniture	82,784	73,195
- telephone facsimile machines	14,371	18,584
- telephones	35,339	36,897
- typewriters	98	98
Total office assets	\$ 347,028	\$ 393,095
Courtroom assets	\$	\$
- computers	2,557	2,476
- juror tapes	1,490	1,490
- mobile carts, chairs, and carpet	1,813	5,288
- televisions, VCRs, recording equipment, and amplifiers	26,121	26,281
Total courtroom assets	\$ 31,981	\$ 35,535
Security equipment	\$ 4,550	\$ 4,550
Total security equipment	\$ 4,550	\$ 4,550
Total general fixed assets	\$ 383,559	\$ 433,180
INVESTMENT IN GENERAL FIXED ASSETS		
Property acquired from - general fund	\$ 264,161	\$ 298,678
Property acquired from - special revenue funds	119,398	134,502
Total investment in general fixed assets	\$ 383,559	\$ 433,180

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**SUPPLEMENTAL INFORMATION SCHEDULES
STATEMENT OF CHANGES IN GENERAL FIXED ASSETS
Year Ended June 30, 2002**

	<u>Office Assets</u>	<u>Courtroom Assets</u>	<u>Security Assets</u>	<u>Total</u>
General Fixed Assets - Beginning of Year	<u>\$ 393,095</u>	<u>\$ 35,535</u>	<u>\$ 4,550</u>	<u>\$ 433,180</u>
Additions:				
General fund	\$ 34,720	\$	\$	\$ 34,720
Special revenue funds	<u>7,607</u>	<u>81</u>		<u>7,688</u>
Total additions	<u>\$ 42,327</u>	<u>\$ 81</u>	<u>\$</u>	<u>\$ 42,408</u>
Total Balances and Additions	<u>\$ 435,422</u>	<u>\$ 35,616</u>	<u>\$ 4,550</u>	<u>\$ 475,588</u>
Deductions:				
General fund	\$ (66,006)	\$ (3,231)	\$	\$ (69,237)
Special revenue funds	<u>(22,388)</u>	<u>(404)</u>		<u>(22,792)</u>
Total deductions	<u>\$ (88,394)</u>	<u>\$ (3,635)</u>	<u>\$</u>	<u>\$ (92,029)</u>
General Fixed Assets - End of Year	<u>\$ 347,028</u>	<u>\$ 31,981</u>	<u>\$ 4,550</u>	<u>\$ 383,559</u>

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**SUPPLEMENTAL INFORMATION SCHEDULES
SCHEDULE OF JUDGES
For The Year Ended June 30, 2002**

Judge D. Milton Moore, III

Judge Michael S. Ingram

Judge Jimmy Dimos

Judge Sharon I. Marchman

Chief Judge Benjamin Jones

Judge Carl Van Sharp

Judge Larry Lolley

Judge Alvin Sharp

Judge Marcus Clark

Judge Lisa Trammel, Pro Tempore

OTHER SUPPLEMENTAL INFORMATION –
GRANT ACTIVITY

CAMERON, HINES & HARTT

(A Professional Accounting Corporation)

Certified Public Accountants

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REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Benjamin Jones, Chief Judge
Fourth Judicial District Court
Judicial Expense Fund
Monroe, Louisiana

We have audited the component unit financial statements of the Fourth Judicial District Court, Judicial Expense Fund and a component unit of the Ouachita Parish Police Jury, as of and for the year ended June 30, 2002, and have issued our report thereon dated October 18, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Fourth Judicial District Court, Judicial Expense Fund's component unit financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Fourth Judicial District Court, Judicial Expense Fund's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the component unit financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses.

The Honorable Benjamin Jones, Chief Judge
Fourth Judicial District Court
Judicial Expense Fund
Page 2

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatement in the amounts would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of management, others within the organization, Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Cameron, Hines & Hartt (APAC)

West Monroe, Louisiana
October 18, 2002

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2002

The Honorable Benjamin Jones, Chief Judge
Fourth Judicial District Court
Judicial Expense Fund
Monroe, Louisiana

We have audited the component unit financial statements of the Fourth Judicial District Court, Judicial Expense Fund as of and for the year ended June 30, 2002, and have issued our report thereon dated October 18, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of June 30, 2002, resulted in an unqualified opinion.

Section I- Summary of Auditor's Reports

A. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weakness ___ yes X no Reportable Conditions ___ yes X no

Compliance

Compliance Material to Financial Statements ___ yes X no

B. Federal Awards – N/A

Internal Control

Material Weakness ___ yes ___ no Reportable Conditions ___ yes ___ no

Type of Opinion on Compliance For Major Programs	Unqualified _____ Disclaimer _____	Qualified _____ Adverse _____
---	---------------------------------------	----------------------------------

Are their findings required to be reported in accordance with Circular A-133, Section .510 (a)?

C. Identification of Major Programs: N/A

CFDA Number(s)	Name of Federal Program (or cluster)
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Dollar threshold used to distinguish between Type A and Type B Programs. N/A

Is the auditee a "low-risk" auditee, as defined by OMB Circular A-133? N/A

FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2002

(Continued)

Section II- Financial Statement Findings

No matters were reported.

Section III- Federal Award Findings and Question Costs- N/A

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
WITH NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

FOR THE YEAR ENDED JUNE 30, 2002

<u>Federal Grants/Pass Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Program or Award Amount</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>
Program Passed Through the Louisiana State Supreme Court: Department of Health and Human Services – Administration for Children and Families: Temporary Assistance For Needy Families	93.558	<u>\$ 60,125</u>	<u>\$ 60,125</u>	<u>\$ 60,125</u>

1. General

The Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of the Fourth Judicial District Court. The Fourth Judicial District Court did not pass through any of its federal awards to a subrecipient during the year.

2. Basis of Accounting

The Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting as contemplated under accounting principles generally accepted in the United States of America and which is the same basis of accounting used for presenting the component unit financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**FOURTH JUDICIAL DISTRICT COURT
JUDICIAL EXPENSE FUND
MONROE, LOUISIANA**

**SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2002**

Section I- Internal Control and Compliance Material to the Financial Statements

01-1 Internal Control

Condition:

In our review of the Fourth Judicial District Court, Judicial Expense Fund's internal control, it was noted that there was an absence of appropriate segregation of duties consistent with control objectives in the areas of cash receipts and disbursements.

Recommendation:

Procedures should be implemented requiring that different employees perform the various procedures of the cash receipts and disbursements functions.

Current Status:

The Court Administrator indicated that due to the size of the operations and limited number of permanent employees, corrections are not practical at this time.

Section II- Internal Control and Compliance Material to Federal Awards

This section is not applicable for this entity.

Section III- Management Letter

No management letter was issued.